

Realty Stock Review

June 24, 1988 (Priced June 22)

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MARKET STRATEGY: AT MID-YEAR, REALTY OWNERSHIP STRONGER, HOMEBUILDING WEAKER

At the mid-point of 1988, weakening homebuilding and construction activity is strengthening the underpinnings of income property ownership.

The second half is likely to see more of the same. This outlook is good news for stocks of companies and REITs which own income properties, and bad news for stocks of homebuilding and similar companies which depend upon overall construction activity.

But there are major pockets of strength inside homebuilding, and pockets of weakness inside property ownership, meaning that investors still must play a focused niche game. The market status by specific property types:

Housing: Starts fell 11.5% in the first five months of 1988. We still expect the 1988 total to be about 1.475 mil. units, off about 9%, but achieving this will require stability in the second half. Any significant mortgage interest rise could hurt, and still-soaring prices could slow sales. Average and median new house prices of \$137,000 and \$110,500 in April rose 16% and 14.5% respectively, well above the inflation rate.

Apartments: Profitability is slowly returning, result of falling construction and higher rents. Apartment starts averaged 405,000 DU annual rate thru May, off about 15% from 1987 but in line with expectations. Rent-up took slightly longer in 1987 as 66% of apartments were rented in three months, up 1% from 1986. Median rents rose 6% to \$457/mon. Apartment vacancies rose to 8.0% in the March qtr., up 0.2%, continuing an upward drift during most of the 1980s.

Offices: Vacancies peaked in the Dec. 1986 qtr. and have drifted down since then, while absorption remains strong and some rents firm. Downtown vacancies fell 0.1% to 16.0% in 1987 and suburban vacancies dropped 1.0% to 22.8% in 1987. Strong GNP has kept absorption at a high level and downtown space under construction is at cyclical lows of 35 mil. SF, according to the Coldwell Banker quarterly survey. Rents are firming in some markets and fewer concessions are being given.

Industrial: Vacancies peaked in mid-1987 and stood at 5.5% at the end of 1987, down from a 6.1% peak, according to Coldwell Banker.

Retail: Retail sales haven't buckled in wake of the Oct. 1987 stock

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PORTFOLIO SELECTOR: STOCKS SUITABLE FOR SHAPING HOLDINGS TO YOUR PORTFOLIO GOALS

We list below stocks we believe are currently usable in your portfolio, whatever your specific investment goals. Purchases (or sales) should be made at or near prices obtaining on the publication date, but we are not listing specific buy (or sell) points, so as to avoid conflict with money management clients.

The broad variety of securities included in RSR lets you target your holdings to your investment appetite, from very conservative to very aggressive; from high income to zero income; and from geographic regions and property types you desire. We've listed securities under a number of headings and a security may appear in more than one list. Changes this month are:

--Lincoln N.C. Realty, Trammell Crow Real Estate, and Beverly Investment Props. are deleted. The latter two have or are likely to cut dividends; a loan payback at Lincoln could cut payout moderately as discussed on page 5.

MSA Realty is added to the shopping center group as well as tax-sheltered income because it is making progress in Midwestern community centers. Forest City Enter. is shifted to the diversified property group.

(Continued from Page 1)

crash, good news for retail property owners whose income is generally protected against inflation by being geared to gross sales. The retail sales gain of 4.1% annual rate in the Mar. qtr. is about level with inflation. Retail construction is expected to fall about 15% for 1988, easing competition.

Realty stock action: Investors are slowly awakening to the positive changes in real estate markets. All realty stocks outperformed the S&P 500 by about 3.4% in the first half, while REITs had 0.9% positive performance. This table, extracted from our Group Performance summary on page 6, shows total return including first-half price change and one-half of dividends, as follows:

	Price Chng.	Div.	Total
All REITs.....	+ 9.6%	4.65%	14.25%
All realty stock..	+13.4	3.35	16.75
S&P 500.....	+11.6	1.75	13.35
Dow-Jones Indus..	+11.0	1.75	12.75

Biggest gainers have been in the large and smaller homebuilder categories, up 24.8% and 18.3% respectively for 1988. Income property owners/developers aren't far behind at 16.7%, followed by a 16.1% gain for manufactured housing stocks. Realty service/syndicator stocks fell 3.2%.

PORTFOLIO SELECTOR LIST OF REALTY STOCKS FOR CURRENT INVESTMENT

OWNERS BY REGION	DIVERSIFIED PROPS.	Hotels/Specl.	Health Care Pr.(2/12/8)	U.S.Home (4/10&6/26/7)
<u>Northeast</u>	*Bay Fincl.(6/10/8)	Hotel Inv.(11/20/7)	Meditrust (4/8/8)	*Wells Far.Mt.(5/13&6/24/8)
Federal Rl.(3/11/8)	*Forest City (6/10/8)	<u>Medical</u>	*One Lib.Pr.(6/12/7&6/24/8)	
Gould LP (1/9/7)	First Union(3/11/8)	Health Care REIT(4/8/8)	<u>TAX-SHELTERED INCOME</u>	<u>ASBESTOS ABATEMENT</u>
New Plan Rlty(11/20/7)	HRE Props.(2/12/8)	Health Care Pr.(2/12/8)	ECK Green Ac. (8/22/6)	Control Res.(9/25/7)
Penn. REIT (12/11/7)	May Dept.Stores(2/26/8)		ECK Rlty. (3/11/8)	LVI Group (9/25/7)
Presidential Rl.(10/24/6)	MCA Corp.(2/26/8)	<u>ENTREPRENEURIAL</u>	Koger Co.(3/25/8)	
Prudential Rl.(4/24/7)	MGI Props.(2/26/8)	<u>OWNERS</u>	Koger Pr.(3/25/8)	<u>BUILDERS/DEVELOPERS</u>
Rock. Ctr(2/12/8)	Property Cap(8/28/7)	Federal Rlty(3/11/8)	LaQuinta LP(11/21/6)	<u>Houses/Mfg.Hsg.</u>
Washington REIT(3/11/8)	*Rouse Co. (6/10/8)	Gould Inv.LP(1/9/7)	MSA Realty(8/14/7)	Clayton Homes(10/10/6)
<u>Midwest</u>	Santa Fe SP(5/27/8)	*Forest City Ent(6/10/8)	Rock. Ctr.(2/12/8)	*Hovnanian Ent(6/10/8)
Bradley RET(12/11/7)		Koger Co.(3/25/8)	Turner Eq.(5/27/8)	*K&B Home (6/10/8)
Chicago Dk.(9/11&12/24/7)	<u>BY PROPERTY TYPE</u>	Koger Props.(3/25/8)		*Leisure Tech.(6/10/8)
Duke Rlty. (6/26/7)	<u>Shopping Centers</u>	New Plan Rl.(11/20/7)	<u>NOTABLE NEWCOMERS</u>	*Lennar Cp.(6/10/8)
ECK Realty (3/11/8)	Federal Rlty(3/11/8)	Perini Inv.Pr.(4/22/8)	Copley Prop.(5/13/8)	Oriole Hm.(3/27/7)
MSA Realty (8/14/7)	First Union(3/11/8)	*Rouse Co.(6/10/8)	Merry Land(2/27/7)	Ryland Group(3/27/7)
<u>South/Southwest</u>	Intl. Income Pr.(3/11/8)		Ridgewood Pr.(2/28/6)	Std. Pacific(8/8/6)
IRT Prop.Co.(3/11/8)	IRT Prop.(3/11/8)	<u>MORTGAGES - INCOME</u>	Weingarten Rl.(3/11/8)	<u>Income Props.</u>
Koger Co.(3/25/8)	MSA Realty (8/14/7)	<u>Fixed-rate</u>		*Bay Fincl.(6/10/8)
Prop.Tr.Am.(2/12/8)	New Plan Rl.(11/20/7)	BRT Realty(5/13/8)	<u>FINANCIAL SERVICE</u>	Koger Prop.(3/25/8)
Sizeler Inv.(2/27/7)	*Rouse Co.(6/10/8)	Cenvill Inves.(5/13/8)	Ameribanc Inv.Gr.(8/28/7)	<u>Commun.Bldrs./Land</u>
Tram'l Crow(10/9&12/24/7)	Weingarten Rl.(3/11/8)	Lomas Mt.C(9/13/5-12/24/7)	Countrywide Cre.(1/9/7)	*Amrep Corp.(6/10/8)
United Dom.Rl.(3/11/8)	Western Inv.RE(3/11/8)	MDC Asset Inv.(1/9/7)	Lomas & Net.Fin.(5/13/8)	Cousins Prop.(12/5/6)
Weingarten Rl.(3/11/8)	<u>Offices</u>	<u>Participating</u>	Unicorp Amer. (7/10/7)	*Genl. Devel. (6/10/8)
<u>Far West</u>	HRE Props.(2/12/8)	L&N Hsg. Corp.(5/13/8)	<u>AGGRESSIVE RECOVERY</u>	Inter. Gen.(4/8/8)
BRE Prop.(11/23/7)	ICM Prop.Inv.(5/13/8)	Mellon Part.Mtg(5/13/8)	Ameri. Hot(4/8/8)	Major Realty(5/27/8)
Burnham Pac.(3/11/8)	Koger Co.(3/25/8)	Mtg.Invest.Plus(4/24/7)	*Fairfield Comm(6/10/8)	Newhall Land(5/27/8)
Copley Props.(5/13/8)	Koger Pr.(3/25/8)	Realty South (4/24/7)	Integrated Res.(9/11/7)	
REIT of Calif.(3/11/8)	Property Cap(8/28/7)	Rock. Ctr.(2/12/8)	Linpro Spec.(10/9&11/20/7)	
Santa Anita Rl.(3/11/8)	Prudential Rl(4/24/7)	<u>LEASEBACKS - INCOME</u>	MONY Rl.Est.(5/13/8)	
Western Inv.Tr.(3/11/8)	Turner Eq.(5/27/8)	Health Care REIT(4/8/8)	Reading Co.(3/25&4/22/8)	

REITs have done less well, rising 9.6% on average (we've added a separate category on page 8 for all REITs with this issue), led by a 12.1% gain before dividends for the property/mortgage combination REITs. Leaseback REITs, mainly those in health care, have lagged to date, up only 4.0% on concern about fallout from the troubles at Beverly Enterprises, sponsor of a major leaseback REIT (see below).

Outlook for realty stocks: The major seasoned equity and combination REITs should provide about 11.5% to 12.5% total return in the next 12 months, although returns may vary widely for specific entities. Mortgage REITs may do less well because of continuing interest rate risk, altho participating mortgage trusts such as those in Portfolio Selector (p. 2) should outperform fixed mortgages in general. We are not bullish on medical/leaseback REITs at this time.

Homebuilder stocks continue to offer excellent value in selected local/regional builders with strong land positions in strong growth areas. See our June 10 review of group members. News of selected realty stocks:

BEVERLY INVESTMENT PROPERTIES has come under great pressure (RSR, May 27) since its sponsor, major nursing home operator Beverly Enterprises Inc. (BEV--NYSE), omitted its dividend and began talks with banks on how to shore up sagging finances.

Credit Crunch. BIP (14--NYSE) is now embroiled in creditor negotiations of its own. Until things started coming unglued at its sponsor, BIP was negotiating to fund \$75 mil. of its \$116 mil. bank loans with long-term debt. Instead, banks countered with conditions BIP found unacceptable: limiting dividends to current levels and defining any bankruptcy filing by BEV as an act of default by BIP. On June 1 BIP's unsecured revolving credit line expired and negotiations continued.

BIP promptly said it was negotiating to cutties to its floundering

sponsor and become self-administered, a move which had been in the works for several months.

Resolving the bank line issue could take some time. Most likely outcome is that BIP will pay higher interest rates (1% over prime is mentioned) and will either place secured mortgages on some properties or sell them. However done, interest costs are likely to rise significantly and we'd see dividends and cash flow leveling out at about the \$2.00-\$2.10 annual rate, vs. the \$2.36 annualized dividend of the Mar. qtr.

Trouble at the Top. Original sponsor BEV is facing even more serious credit problems as it gropes for ways to fund the potential redemption of \$148 mil. zero coupon notes which can be put to it in Sept. 1988. Moreover BEV is in default on a \$400 mil. revolving credit agreement. To preserve cash, BEV suspended cash dividends. It is discussing selling 15,000-20,000 nursing home beds, and sale of certain notes receivable to raise cash. In May BEV registered 294,737 BIP shs. to sell to raise cash, but sale isn't likely at current BIP prices.

BEV has been squeezed by several factors including declining bed occupancy, lagging reimbursement rates, severe shortages of nurses and service personnel, quality control problems, and dramatically higher operating costs. As a result BEV lost \$30.5 mil. or 54¢ per sh. in 1987, its first loss. Loss narrowed to 2¢ per sh. in the Mar. qtr.

Stock action. We are removing BIP from Portfolio Selector because near to intermediate term outlook depends upon outcome of BIP's credit negotiations. Certainly BIP's growth phase is behind and BIP may wind up with only a modest (say 3% top) growth rate from its sharing of patient gross revenues. Longer-term investors may hold or average down in the 13-14 range, where it would yield 14%-15% in keeping with the low-rated credit of its main lessee. BEV itself must be watched, altho we doubt that BEV itself will be forced into bankruptcy and any good news for BEV would aid BIP.

A spate of possible transactions continue to dominate news about realty stocks, especially smaller companies and REITs where rising administrative costs erode the benefits of being public.

B.F. SAUL R.E.I.T. (which is not a qualified REIT, would be taken private under a proposal by an entity controlled by Chrm. B. Francis Saul II. Saul's Westminster Investing Corp. would tender, at \$25 per sh., for the 22% of BFS's 5.3 mil. shares it doesn't already own.

Under the proposal, the Saul group would offer to buy 770,000 shs. at \$25, and would also pay the same amount for any or all of the additional 398,000 shares outstanding. If all shares are purchased, the Saul group would pay about \$29.2 mil. for all public shares. BFS also will call for redemption about \$13 mil. of 6.5% debentures outstanding convertible at \$23 per share.

BFS has been reporting EPS and cash flow losses in recent years, even as it reported current asset value rising, the latest reading being \$29.89 per share as of Sept. 1987. The proposed \$25 tender price is about a 16% discount to current value. A property development and ownership company, BFS owns a diversified portfolio of shopping centers and offices, mainly in the Washington, D.C. and Atlanta areas.

Advice: BFS shares rose to \$25 on the announcement, indicating the market may sense a slightly higher offer may be in the offing. Hold pending further details.

ONE LIBERTY PROPERTIES INC. is considering selling some or all of its assets, or taking other actions to maximize the value of its assets. The actions are being considered as part of a broad review of actions taken since **Gould Investors L.P.** bought a 9.8% stake in April and said it is seeking board representation.

The big play is OLP's ownership of over 40 retail stores net leased back to Firestone Corp. When Bridgestone Corp.

acquired Firestone early last spring, the underlying credit of the lessee advanced several notches, enhancing the value of OLP's net leases. **Advice:** We cannot estimate how much additional value was created but suggest OLP shares be held pending outcome of the board's study.

BURNHAM PACIFIC PROPERTIES INC. has acquired Burnham American Properties Inc., a REIT under common management, and completed a 1.5 mil. share offering at \$18.25/sh. to raise an additional \$27.4 mil. capital. Offering proceeds will be used to retire \$12 mil. debt and acquire additional properties, including minority interests in some existing properties.

With the merger, BPP's revenue mix is approx. 62% retail centers, 25% office, 8% hotel, and 5% storage facility. All properties except the hotel are in San Diego County, Cal. BPP owns net interest of 645,700 SF in eight retail centers which are 94% occupied; two offices with 209,000 SF (100% occupied); land and 50% interest in the 258-room Beverly Garland Hotel in North Hollywood; and an 86,450 SF mini-warhouse. All retail leases rise with the cost of living.

Advice: The merger and offering give BPP opportunity to win a broader investment following, which until now has been limited to southern Calif. investors familiar with the sponsoring John Burnham & Co., independent commercial real estate firm and mortgage banker. With administrative cost savings and expected rent increases, we expect CFS to rise about 15% to about \$1.45-\$1.50/sh. annual rate by year end.

WELLS FARGO MORTGAGE & EQUITY TRUST says California real estate developer Peter Bedford has purchased a 6.5% stake. Purchases have been made since April at prices ranging from \$14.38 to \$17.25 per share.

Bedford, of Lafayette, Cal., is highly regarded as a major real estate developer who reportedly controls about \$1.5 bil. real estate, including 10 mil. SF offices, mainly near San Francisco.

Late in 1987 WFM agreed to sell all real estate assets to **Cal-Fed Income Partners L.P.** at a price estimated in the \$22/sh. range. But the deal was cancelled and WFM declined into the 14-15 range. **Advice:** We added WFM to Portfolio Selector last month at \$15 and would continue to hold.

SOUTHLAND FINANCIAL CORP.'s Board has approved a buyout proposal after prospective buyers doubled their offer to \$2 per common share. JMB Realty Corp. and Teachers Insurance and Annuity Assn. had previously offered \$1 per share for SFIN (RSR, May 27).

The purchase plan still must be approved by holders of about \$460 mil. debt of SFIN's Las Colinas Corp., who are being asked to take as low as 40% of par for their debt. If creditors agree, shareholders would be asked to approve. The JMB-Teachers combine would wind up owning Las Colinas' 2,500 undeveloped acres northwest of Dallas.

Creditors so far have responded negatively. Holders of \$150 mil. first mortgage notes posted 690 acres used as collateral for foreclosure, a move designed to pressure Teachers/JMB to raise their offering price to creditors.

SANTA FE SOUTHERN PACIFIC CORP. is again target of stock buying from Henley Group Inc., which earlier had been rebuffed in an effort to take control of SFX. Henley has raised its SFX stake to 16.7%, up about 1%. Olympia & York Developments Ltd., controlled by Toronto's Reichmann family, owns 19.6% of the railroad, real estate and resources giant. Henley hadn't made any SFX purchases since March, when its earlier efforts failed. It paid an average \$15.32/sh. for its latest block of about 1.6 mil. shares.

GEMCRAFT INC. says all directors have resigned, fearing potential liability if they consent to foreclosure of GEMH's homebuilding and mortgage units. GEMH's 51% owner, First Texas Savings Assn., has proposed acquiring all GEMH shares it doesn't own at \$1.50/sh.

EQUITEC FINANCIAL GROUP INC. sus-

pended dividends, recently at 4¢ quarterly, and said it expects a 1988 loss from \$12-\$15 mil. property writeoffs.

LINCOLN N.C. REALTY FUND INC. consented to sale of its Denver Business Center. If completed, LRF's \$8.76 mil. mortgage and leaseback would be repaid and LRF would receive 12.5¢ profit. The 11.5% investment amounts to about 20% of LRF investments and reinvestment at current rates could reduce dividends by about 4¢ yearly.

CHAPTER XI FILINGS: ZIMMER CORP., Fort Lauderdale, Fla. maker of mobile homes and recreational products, filed Ch. XI after sustaining a \$9.9 mil. loss in its Dec. 1987 year. The ASE has suspended trading and we will not be able to follow ZIM for now.

KEY CO. (KC--ASE), Greensboro, N.C. homebuilder and which is not followed by RSR, sought Ch. XI protection June 14. Key cited a large inventory of unsold building lots and losses on a portfolio of operating leases for the filing.

APPRAISED ASSET VALUE COMPARISONS

QUALIFIED REITS	DATE	APPRAISED VALUE/ SHARE	% PRICE TO APP. VALUE
BRE PROPERTIES	7/87	\$34.75a	-13.3%
CEDAR INC FUND I#	12/87	\$ 8.92	-14.5%
COPLEY PROPS #	12/87	\$22.88	-15.9%
DUKE RLY-CAPITAL#	12/87	\$ 1.70	-48.5%
ECK RLTY INV I #	12/87	\$18.10	-23.3%
GRUB&ELLS REIT	12/87	\$ 9.07	-11.8%
INTL INCOME PR#	12/87	\$18.26	-26.1%
JMB REALTY	8/87	\$18.87	-27.1%
MONY RL EST INV	5/87	\$10.79a	-30.5%
MSA REALTY CORP	12/87	\$10.20	-13.0%
NEW PLAN RLY TR#	7/87	\$16.08	-11.4%
PRU RL CAPITAL #	12/87	\$ 2.31	-51.3%
SANTA ANITA	6/87	\$26.46	12.0%
SIERRA CAP RLY IV#	12/87	\$ 7.88	-27.0%
SIERRA RE EQ83#	12/87	\$10.11	-40.7%
SIERRA RE EQ84#	12/87	\$ 8.40	-30.1%
TRAML CROW REI#	12/86	\$13.10	-32.3%
USP RL EST INV#	12/87	\$11.73	-36.1%
WELLS FARGO M&E	6/87	\$26.86a	-33.0%
AVERAGE			-24.9%
OPERATING COMPANIES			
BAY FINCL CORP	5/87	\$39.51	-51.0%
CENTENNIAL GROUP	12/86	\$ 7.71	-49.7%
ECK GRN ACRES LP#	12/87	\$13.31	-8.9%
FORUM RET PFD UN#	12/87	\$10.89	-8.2%
GRUB&ELLS REIT	12/87	\$ 9.07	-11.8%
KOGER CO#	12/87	\$19.78	35.9%
MAJOR REALTY	9/87	\$22.00	-58.0%
NEWHALL INV PROP	4/88	\$ 3.22	24.2%
NEWHALL LAND	12/87	\$37.72	12.3%
PERINI INV PR#	3/88	\$23.00	-29.3%
ROUSE CO#	12/87	\$27.13	-18.0%
SAUL (BF) REIT#	9/87	\$29.89	-16.4%
SOUTHWEST RLTY#	12/87	\$ 7.72	-82.2%
AVERAGE			-20.1%

Appraised market values of net assets (i.e., properties held) are reported publicly by companies. Values are estimated by management and concurred in by independent appraisers except for: Koger Co. values set by independent appraisers; New Plan Realty, management estimate only. Share values are fully diluted. a-Entity has not revalued mortgages.

RANK	NAME(REVIEW DATE)	EXCH/ SYMBOL	GROUP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON 12 MO	LAST PRICE	% CHANGE FROM- MAY 25 JAN 1	P/E RATIO	% ANN YIELD	% PR TO BK	RETURN ON BK\$	MKT VAL MIL \$	
B	AMER HEALTH PROP# (04/08/88)	NY-AHE	2	11086	18.68	2.04	MAR 2.04	18.00	1.4	21.0	8.8	11.3	-3.6	10.9	199.5
C	AMERICAN REALTY (05/13/88)	NY-ARB	4	21728	6.53	0.60	MAR 2.02	4.75	0.0	5.6	2.4	12.6	-27.8	30.7	103.2
C	AMERICAN REALTY (04/08/88)	NY-AHR	3	5030	16.39	0.00	MAR 0.26	13.88	0.9	58.6	53.4	0.0	-15.3	1.6	69.8
B	ANGELL REAL EST# (04/08/88)	NY-ACR	2	3622	13.96	1.52	MAR 1.47	11.00	1.1	10.0	7.5	13.8	-21.2	10.5	39.8
C	BEVERLY INV PROP# (04/08/88)	NY-BEP	2	8195	19.57	2.36	MAR 2.38	13.75	-6.8	-25.7	5.8	17.2	-29.7	12.2	112.7
B	BODDIE-NOEL PROP# (05/22/87)	AS-BNP	2	2850	11.39	1.28	MAR 1.31	12.13	1.0	15.5	9.3	10.6	6.5	11.5	34.6
A	BRADLEY RL EST (12/11/87)	OC-BRLIS	1	3360	2.79	0.68	FEB 1.47	11.50	0.0	9.5	7.8	5.9	312.2	52.7	38.6
A	BRE PROPERTIES (10/23/87)	NY-BRE	3	7864	17.35	2.40	APR 2.22	30.13	4.2	12.6	13.6	8.0	73.6	12.8	236.9
B	BRT REALTY (05/13/88)	NY-BRT	4	7173	14.46	2.48	MAR 2.52	17.63	1.4	7.6	7.0	14.1	21.9	17.4	126.4
B	BURNHAM PAC PROP# (03/11/88)	AS-BPP	1	1491	9.78	1.28	MAR 1.37	18.50	1.0	15.6	13.5	6.9	89.2	14.0	27.6
B	P-CALIF JOCKEY CLUB (11/21/86)	AS-CJ	1	5734	4.49	1.00	MAR 0.80	18.25	-0.7	8.1	22.8	5.5	306.5	17.8	104.6
B	CALIFORNIA REI (03/11/88)	NY-CT	1	5294	7.21	0.32	MAR -0.25	4.88	-0.9	8.3	0.0	6.6	-32.4	-3.5	25.8
B	F-CEDAR INC FUND I# (01/09/87)	OC-CEDR	1	1440	8.82	0.64	MAR 0.53	7.63	1.7	8.9	14.4	8.4	-13.5	6.0	11.0
B	CENTRAL REALTY (05/13/88)	OC-CHRT	3	1984	0.18	0.00	MAR -0.38	0.13	0.0	-33.5	0.0	0.0	-30.6	-21.1	0.2
B	CENTVILL INVTSTR (05/13/88)	NY-CVI	3	6883	13.07	0.20	MAR 2.10	18.13	0.3	6.6	8.6	12.1	38.7	16.1	124.8
B	CHICAGO DOCK&CANL (09/11/87)	OC-DOCKS	1	5784	6.80	0.24	S JAN 0.36	25.00	2.0	25.0	69.4	1.0	267.6	5.3	144.6
C	CLEVELAND TRUST RLIT# (04/22/88)	OC-CTRIS	3	1938	18.18	0.50	DEC 0.80	9.50	-9.5	31.0	11.9	5.3	-47.7	4.4	18.4
B	COLUMBIA RE INVST (02/28/86)	AS-CIV	4	5972	9.13	0.88	S MAR 0.89	6.63	-0.4	23.3	7.4	13.3	-27.4	9.7	39.6
B	COPLEY PROPS# (05/13/88)	AS-COP	3	4008	17.81	1.68	MAR 1.63	19.25	1.3	14.1	11.8	8.7	8.1	9.2	77.2
B	COUNTRYWIDE MTG (01/09/87)	NY-CWM	4	7745	11.33	0.96	MAR 1.11	6.50	-3.7	-5.5	5.9	14.8	-42.6	9.8	50.3
A	COUSINS PROPS (12/05/86)	OC-COUS	1	17387	6.56	0.60	MAR 0.66	17.50	7.7	40.0	26.5	3.4	166.8	10.1	303.6
B	F-CRI INS MTG II (07/25/86)	NY-CII	4	8536	16.99	1.40	MAR 1.90	14.63	1.7	-7.1	7.7	9.6	-13.9	11.2	124.8
B	DEL-VAL FINCL (03/11/88)	NY-DVL	4	3910	10.58	1.80	S MAR 1.80	17.88	-0.6	3.6	9.9	10.1	69.0	17.0	69.9
B	DIAL REIT INC# (01/09/87)	OC-DEAL	1	1738	18.12	1.64	MAR 1.75	19.00	4.1	10.1	10.9	8.6	4.9	9.7	33.0
B	F-DUKE RLTY-INCOME# (06/26/87)	NY-DREPR	1	7520	8.00	0.68	DEC 0.77	6.88	3.8	7.8	8.9	9.9	-14.1	9.6	51.7
B	F-DUKE RLTY-CAPITAL# (06/26/87)	NY-DRE	1	7520	0.35	0.00	--- 0.00	0.88	-22.2	7.6	0.0	0.0	150.0	0.0	6.6
B	EASTGROUP PROPS (04/08/88)	AS-EGP	1	2558	18.27	2.60	S MAR 2.64	22.00	-1.7	3.5	8.3	11.8	20.4	14.4	56.3
B	EASTOVER CORP (05/13/88)	OC-EASTS	3	1196	13.51	1.60	S MAR 1.26	13.13	1.0	-1.9	10.4	12.2	-2.8	9.3	15.7
B	F-ECK RLTY INV I# (03/11/88)	NY-EKR	1	7589	14.56	1.66	DEC 1.53	13.88	0.3	16.8	9.1	12.0	-4.7	10.5	105.3
A	FEDERAL REALTY# (03/11/88)	NY-FRT	1	13528	10.28	1.20	S MAR 1.37	20.75	3.3	4.4	15.1	5.8	101.8	13.3	280.7
C	FIRST CONTRL REIT (08/23/85)	OC-FCRES	4	4103	4.60	0.00	NOV -2.10	1.00	-11.1	14.3	0.0	0.0	-78.3	-45.7	4.1
A	FIRST UNION RE# (03/11/88)	NY-FUR	1	18092	8.99	1.50	S MAR 1.61	20.88	-2.9	15.2	13.0	7.2	132.2	17.9	377.7
B	GOLDEN CORRAL# (04/11/86)	OC-GCRA	2	1480	9.25	1.00	DEC 1.21	8.25	0.0	0.0	6.8	12.1	-10.8	13.1	12.2
B	F-GRUBBELL# REIT (10/09/87)	OC-GRIT	5	2500	9.12	0.90	MAR 0.76	8.00	4.9	23.1	10.5	11.3	-12.3	8.3	20.0
B	GUILD MTG INVSTMT (07/25/86)	AS-GUM	4	3100	8.45	0.46	DEC 0.68	6.25	11.8	56.3	9.2	7.4	-26.0	8.0	19.4
B	HEALTH CARE PR# (02/12/88)	NY-HCP	2	8158	21.83	2.61	MAR 2.72	26.25	8.8	-4.5	9.7	9.9	20.2	12.5	214.1
A	HEALTH CARE REIT (04/08/88)	AS-HCN	4	5837	11.95	1.76	MAR 1.96	16.25	-5.1	8.3	8.3	10.8	36.0	16.4	94.9
B	HEALTHVEST# (04/08/88)	AS-HVT	2	11661	19.90	2.52	MAR 2.54	20.25	7.3	8.0	8.0	12.4	1.8	12.8	236.1
C	HLTH & REHAB PRP# (04/08/88)	NY-HRP	2	9998	8.81	1.12	MAR 1.10	8.50	3.0	4.6	7.7	13.2	-3.5	12.5	85.0
C	HMG/COURTLND PROP (04/08/88)	AS-HMG	1	1212	23.13	0.60	MAR 8.86	14.38	-1.5	57.5	1.6	4.2	-37.9	38.3	17.4
B	P-HOLLYWOOD PK RLTY (11/16/84)	OC-HTRFZ	1	3956	4.86	0.00	DEC -1.59	23.00	3.4	55.9	0.0	0.0	373.3	-32.7	91.0
B	P-HOTEL INVESTORS# (11/20/87)	NY-HOT	1	12067	16.99	2.00	DEC 0.76	15.25	-2.4	0.0	20.1	13.1	-10.2	4.5	184.0
A	HRE PROPERTIES (02/12/88)	NY-HRE	1	5975	22.89	1.80	S APR 1.37	23.50	3.3	11.2	17.2	7.7	2.7	6.0	140.4
B	ICH PROP INVSTR# (05/13/88)	NY-ICH	3	5695	15.46	1.36	MAR 1.27	10.88	4.8	29.9	8.6	12.5	-29.7	8.2	61.9
B	INCOME OPP RLTY# (12/24/87)	AS-IOT	3	3692	17.26	1.00	S DEC 1.19	9.88	1.3	11.3	8.3	10.1	-42.8	6.9	36.5
A	INTL INCOME PR# (03/11/88)	AS-IIP	1	11528	8.05	1.04	DEC 0.69	13.50	0.9	-1.8	19.6	7.7	67.7	8.6	155.6
B	INVG MTG SECS# (03/14/86)	OC-INVG	4	682	29.71	1.00	DEC 2.15	8.50	6.3	30.8	4.0	11.8	-71.4	7.2	5.8
A	IRT PROPERTY CO# (03/11/88)	NY-IRT	1	9610	11.23	1.40	MAR 1.79	17.38	11.2	9.4	9.7	8.1	54.7	15.9	167.0
B	JMB REALTY (02/13/87)	OC-JMERS	3	1423	16.44	1.40	FEB 1.05	13.75	0.0	14.6	13.1	10.2	-16.4	6.4	19.6
B	F-JOHNSTWN/CONS RL (12/24/87)	NY-JCT	3	12280	15.37	0.70	S DEC 0.72	6.75	2.6	10.2	9.4	10.4	-56.1	4.7	82.9
C	LAN HOUSING (05/13/88)	NY-LHC	5	2200	23.13	1.76	U MAR 2.05	22.38	0.3	20.9	10.9	7.9	-3.3	8.9	49.2
B	F-LANDSING INST V (06/10/88)	OC-LANVS	1	6090	7.27	0.00	DEC 0.02	2.38	-20.8	18.8	118.8	0.0	-67.3	0.3	14.5
B	LINCOLN NC RL FMD (12/20/85)	AS-LRF	3	1998	13.25	1.48	MAR 1.40	10.13	0.0	3.8	7.2	14.6	-23.6	10.6	20.2
B	F-LINPRO SPFGD PROP (10/09/87)	AS-LPO	1	1856	9.08	0.16	MAR 0.61	2.75	-4.3	-12.0	4.5	5.8	-69.7	6.7	5.1
B	LOHAS & NET MTG (05/13/88)	NY-LOM	4	11704	22.90	2.54	U MAR 2.51	21.50	3.0	14.7	8.6	11.8	-6.1	11.0	251.6
B	LOHAS MTG CORP (09/13/85)	NY-LMC	4	8700	20.37	2.60	U MAR 2.57	21.88	9.2	19.0	8.5	11.9	7.4	12.6	190.3
B	MDC ASSET INVSTRS (01/09/87)	NY-MIR	4	12620	14.96	2.80	S MAR 2.79	15.75	2.0	-1.6	5.6	17.8	5.3	18.6	198.8
B	MEDICAL PROPS# (05/22/87)	AS-MPP	2	2369	11.83	1.20	DEC 1.15	7.25	3.6	3.6	6.3	16.6	-38.7	9.7	17.2
B	MEDITRUST# (04/08/88)	NY-MT	2	15721	16.18	1.92	U DEC 1.84	17.75	-2.7	-8.4	9.6	10.8	9.7	11.4	279.0
C	MELLON PART MTG (05/13/88)	OC-MPMTS	5	8645	9.17	0.92	DEC 0.88	7.75	0.0	0.0	8.8	11.9	-15.5	9.6	67.0
B	MERRY LAND & INV (02/27/87)	OC-MERY	3	9337	6.36	0.80	MAR 0.89	7.88	3.3	5.0	8.8	10.2	23.8	14.0	73.5
A	MGI PROPERTIES# (02/26/88)	NY-MGI	3	7722	17.39	1.60	S NOV 1.93	19.50	4.7	16.4	10.1	8.2	12.1	11.1	150.6
B	MOH RL EST INV (05/13/88)	NY-MYM	3	10594	9.304	0.72	S MAY 0.61	7.50	3.4	9.1	12.3	9.6	-19.4	6.6	79.5
A	MSA REALTY CORP (08/14/87)	AS-SSS	1	8579	8.264	1.00	MAR 0.60	8.88	-5.3	6.0	14.8	11.3	7.4	7.3	76.1
A	MTG & RLTY TRUST (12/11/87)	NY-MRT	3	10597	17.34	1.96	MAR 1.89	17.88	5.9	18.2	9.5	11.0	3.1	10.9	189.4
C	MTG INVSTMT PLUS# (04/24/87)	AS-MIP	3	9020	8.66	0.80	MAR 0.85	8.38	2.4	19.6	9.9	9.6	-3.3	9.8	75.5
A	NEW PLAN RL TY# (11/20/87)	NY-NPR	1	26794	6.624	0.92	APR 0.75	14.25	2.5	0.9	19.0	6.5	115.3	11.3	381.8
B	F-NOONEY RLTY TR# (04/11/85)	OC-NRTI	1	867	16.76	0.40	MAR 0.50	8.50	1.2	0.0	17.0	4.7	-49.3	3.0	7.4
E	ONE LIBERTY PR# (06/12/87)	AS-OLP	2	2203	14.28	1.40	MAR 1.44	15.38	3.4	39.8	10.7	9.1	7.7	10.1	33.9
A	PENN REIT# (12/11/87)	AS-PEI	1	8174	10.15	1.60	FEB 1.55	22.25	1.7	2.9	14.4	7.2	119.2	15.2	181.9
B	PITTS & WVA RR (08/09/85)	AS-PW	2	1510	6.07	0.56	MAR 0.56	6.00	4.5	6.7	10.7	9.3	-1.2	9.2	9.1
B	PRESIDENTL RL-A# (08/09/85)	AS-PDL.A	3	479	3.58	1.48	DEC 1.98	13.63	0.9	11.2	6.9	10.9	280.6	55.3	6.5
B	PRESIDENTL RL-B# (08/09/85)	AS-PDL.B	3	2771	3.58	1.48	DEC 1.98	13.50	0.9	6.9	6.8	11.0	277.1	55.3	37.4
A	PROPERTY CAPITAL (08/28/87)	AS-PCT	3	9908	13.82	1.68	APR 2.08	19.88	5.3	1.3	9.6	8.5	43.8	15.1	196.9
A	PROPERTY TR AMER# (02/12/88)	OC-PTAS	1	5062	10.44	0.80	MAR 0.86	9.00	2.9	16.1	10.5	8.9	-13.8	8.2	45.6
B	F-PRU RL CAPITAL# (04/24/87)	NY-PRT	1	11135	1.384	0.00	--- 0.00	1.13	0.0	12.5	0.0	0.0	-18.5	0.0	12.5
B	F-PRU RL INCOME# (04/24/87)	NY-PRTPR	1	11135	8.00	0.68	DEC 0.65	6.38	-1.9	6.3	9.8	10.7	-20.3	8.1	71.0
B	REALTY REIFUND (06/12/87)	NY-REF	4	1021	18.28	1.66	APR 1.30	15.00	0.0	2.6	11.5	11.1	-17.9	7.1	15.3
C	REALTY SOUTH (04/24/87)	AS-RESI	5	2098	11.82	1.12	MAR 1.02	9							

June 24, 1988

RANK	NAME (REVIEW DATE)	EXCH/ SYMBOL	GROUP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS- MON 12 MO	LAST PRICE	% CHANGE FROM MAY 25	FROM JAN 1	P/E RATIO	% ANN YIELD	% PR TO BK	RETURN ON BK\$	MKT MIL \$	VAL \$
A	UTD DOMINION RLY# (03/11/88)	OC-UDRT	1	7968	12.48	1.08	MAR 1.12 U	17.25	7.8	0.7	15.4	6.3	38.2	9.0	137.4	
A	F-VMS HOTEL INVSTMT (01/24/86)	AS-VHT	5	9863	8.69	0.90	MAR 0.95	7.25	1.8	16.0	7.6	12.4	-16.6	10.9	71.5	
A	VMS S/T INCOME (01/11/85)	AS-VST	4	6918	9.16	1.16	MAR 1.39	9.00	0.0	-4.0	6.5	12.9	-1.7	15.2	62.3	
A	VMS STRATGIC LAND (05/22/87)	OC-VLANS	5	11994	8.68	1.20	MAR 1.27	8.75	-1.4	-2.8	6.9	13.7	0.8	14.6	104.9	
A	WASH RE (WRIT)# (03/11/88)	AS-WRE	1	9182	8.87	1.40	MAR 1.42	24.25X	2.5	6.0	17.1	5.8	173.4	16.0	222.7	
A	F-WEBB INV PROP # (03/25/88)	AS-DWP.A	1	2224	8.99	0.26	DEC 0.58	4.13	-8.3	-31.3	7.1	6.3	-54.1	6.5	9.2	
A	WEDGESTONE FINCL (03/11/88)	NY-WDG	4	5769	9.10	1.20 S	MAR 1.63	8.25X	9.5	-27.5	5.1	14.5	-9.3	17.9	47.6	
B	WEINGARTEN RLY# (03/11/88)	NY-WRI	1	13947	13.54	1.68	MAR 2.46	26.63	4.4	18.3	10.8	6.3	96.6	18.2	371.3	
C	WELLS FARGO M&E (05/13/88)	NY-WFM	3	6697	19.07	1.50	MAR 0.77	18.00	20.0	-1.4	23.4	8.3	-5.6	4.0	120.5	
A	WESTERN INV RE# (03/11/88)	AS-WIR	1	11969	13.18	1.26	MAR 1.30	18.38	5.0	14.8	14.1	6.9	39.4	9.9	219.9	
COMPANIES AND BUSINESS TRUSTS																
C	ABRAMS INDS INC (10/23/87)	OC-ABRI	10	1787	8.98	0.28	APR 0.62	6.50X	1.1	23.8	10.5	4.3	-27.6	6.9	11.6	
A	LP-AMER INCOME PROP# (01/24/86)	AS-IPS	8	2000	18.36	1.40 S	MAR 1.36	15.38	-1.6	2.5	11.3	9.1	-16.3	7.4	30.8	
A	LP-AMER INS MTG 84 (01/24/86)	OC-AMAZ	9	10000	19.47	2.26	DEC 1.71	19.25	6.9	2.7	11.3	11.7	-1.1	8.8	192.5	
C	AMER PACESETTER (07/24/87)	PS-ADCP	10	1465	14.87	0.00	MAR 2.30	17.50	20.7	62.8	7.6	0.0	17.7	15.5	25.6	
B	LP-AMER RE PARTNERS# (08/28/87)	NY-ACP	8	14850	17.47	2.00 S	SEP 1.80	16.38	7.4	12.0	9.1	12.2	-6.3	10.3	243.2	
B	AMERIBANC INV GP (06/10/88)	OC-AINVS	10	6133	9.15	0.22	MAR 1.14	10.50X	8.3	44.8	9.2	2.1	14.8	12.5	64.4	
C	AMREP CORP (06/10/88)	NY-AIR	7	6601	9.47	0.00	JAN 0.52	8.00	-5.9	-19.0	15.4	0.0	-15.5	5.5	52.8	
C	ANGELES CORP (01/24/86)	AS-ANG	11	3375	5.97	0.00	MAR 0.22	5.50	-8.3	-2.2	25.0	0.0	-7.9	3.7	18.6	
A	LP-ANGELES FINE PTRS (01/24/86)	AS-ANF	9	1051	18.19	1.98	DEC 1.87	15.75	0.0	5.9	8.4	12.6	-13.4	10.3	16.6	
C	RAY FINCL CORP (06/10/88)	NY-RAY	8	3359	12.56	0.00	FEB -4.25	19.38	84.5	36.0	0.0	0.0	54.3	-33.8	65.1	
A	BRITISH LAND AMER (12/06/85)	NY-BLA	8	17984	2.63	0.00	MAR 0.04 U	4.38	6.1	169.2	109.4	0.0	66.3	1.5	78.7	
C	LP-BURGER KING INV # (04/08/88)	NY-BKP	8	4635	18.24	1.88	MAR 1.84	15.13X	0.6	15.2	8.2	12.4	-17.1	10.1	70.1	
A	LP-CAL FED INC PTRS# (11/21/86)	NY-CFI	8	12663	8.82	1.00	DEC 0.55	7.25	3.6	9.4	13.2	13.8	-17.8	6.2	91.8	
C	CALPROP CORP (06/10/88)	AS-CPP	7	3792	8.98	0.00	MAR 1.05	8.50	21.4	30.8	8.1	0.0	-5.3	11.7	32.2	
C	CALTON INC (06/10/88)	NY-CN	7	21796	2.21	0.00	FEB 0.66	3.25	-16.1	36.8	4.9	0.0	47.1	29.9	70.8	
A	CASTLE & COOKE (07/24/87)	NY-CKE	10	47364	11.22	0.00	MAR 1.88	27.00	-0.9	45.9	14.4	0.0	140.6	16.8	1278.8	
A	CENTENNIAL GROUP (06/10/88)	AS-CEQ	10	26204	5.47	0.00	DEC 0.62	3.88	0.0	19.2	6.3	0.0	-29.2	11.3	101.5	
A	CENTEX CORP (10/10/86)	NY-CTX	6	15048	24.19	0.25	MAR 4.63	26.75X	8.9	55.1	5.8	0.9	10.6	19.1	402.5	
C	CHAMPION ENTPRS# (10/10/86)	AS-CHB	12	7204	6.42	0.00	FEB -0.68	4.25	-12.8	30.8	0.0	0.0	-33.8	-10.6	30.6	
D	CHRISTIANA COS (12/06/85)	NY-CTC	7	2851	6.52	0.00	DEC -1.18	5.25	13.5	23.5	0.0	0.0	-19.5	-18.1	15.0	
B	CLAYTON HOMES (10/10/86)	NY-CHH	12	12918	5.09	0.00	MAR 1.02	10.50	12.0	16.7	10.3	0.0	106.3	20.0	135.6	
A	LP-CMWLTH MTG AM-A (11/21/86)	NY-CHA	9	35000	1.06	1.05 S	MAR -0.87	4.88	44.4	21.9	0.0	21.5	359.9	-82.1	170.6	
A	COMMODORE ENV SVC (09/25/87)	OC-COES	13	45004	0.27	0.00	MAR -0.18	1.00	-11.1	-55.6	0.0	0.0	270.4	-66.7	45.0	
C	COMMONWLT MTG CO (10/24/86)	OC-CCHC	9	6089	3.47	0.00	APR 0.23 D	4.50	5.9	5.9	19.6	0.0	29.7	6.6	27.4	
B	CONGRESS ST PROPS (04/11/86)	OC-CSTP	10	1197	12.30	0.00	FEB -1.21	6.50	2.0	0.0	0.0	0.0	-47.2	-9.8	7.8	
A	F-CONSOL CAP INCOME (02/13/87)	OC-CCITS	L	11362	14.89	0.00	MAR -1.10	6.63	-13.1	15.2	0.0	0.0	-55.5	-7.4	75.3	
A	CONSOL CAP RLT# (02/13/87)	OC-CCPLS	L	5966	6.46	0.00	NOV 0.25	3.00	14.3	-4.0	12.0	0.0	-53.6	3.9	17.9	
A	F-CONSOL CAP SPEC# (04/11/86)	OC-CCSTS	L	11485	10.61	0.00	MAR -0.90	4.88	-7.1	-2.5	0.0	0.0	-54.1	-8.5	56.0	
C	CONTL RMS HOLDING (05/22/87)	OC-COHF	7	3672	6.36	0.00	FEB 0.81	3.25	-13.3	-23.5	4.0	0.0	-48.9	12.7	11.9	
C	CONTROL RES INDS (09/25/87)	OC-CRIX	13	5094	6.41	0.00	MAR -0.65	4.00	0.0	-38.5	0.0	0.0	-37.6	-10.1	20.4	
B	COUNTRYWIDE CRDIT (01/09/87)	NY-CCR	9	16276	6.11	0.28 U	MAY 0.63 D	6.88	1.9	16.9	10.9	4.1	12.5	10.3	111.9	
E	COVINGTON DEVLPT (07/25/86)	OC-COVT	7	13902	0.53	0.00	MAR -0.23	0.50	33.3	14.2	0.0	0.0	-5.7	-43.4	7.0	
B	LP-CRI INS MTG INV (07/25/86)	NY-CRM	9	9100	17.13	1.87 D	MAR 2.20 U	18.63	1.4	0.7	8.5	10.0	8.7	12.8	169.5	
D	DELTONA CORP (05/22/87)	NY-DLT	7	5574	4.67	0.00	MAR 0.28	5.63	0.0	40.6	20.1	0.0	20.4	6.0	31.4	
A	LP-EMERALD HOMES LP (04/08/88)	NY-EGH	8	10173	8.79	1.16	DEC 1.12	12.13	2.1	11.5	10.8	9.6	37.9	12.7	123.3	
A	LP-EQUITABLE RE SC # (01/23/87)	NY-EGM	8	10700	8.75	1.04 S	DEC 0.72	9.13	2.8	25.9	12.7	11.4	4.3	8.2	97.6	
A	EQUITEC FNCL GP (09/11/87)	NY-EFG	11	4952	5.44	0.00 D	MAR -1.05	3.63	-19.4	-37.0	0.0	0.0	-33.4	-19.3	18.0	
C	FAIRFIELD COMM (06/10/88)	NY-FCI	7	10645	9.65	0.00	MAR -0.06	5.38	-2.3	13.2	0.0	0.0	-44.3	-0.6	57.2	
C	FARRAGUT MTG CO (12/19/86)	OC-FARR	9	5150	0.79	0.20	MAR -1.27	1.75	16.7	16.7	0.0	11.4	121.5	-160.8	9.0	
B	FED NATL MTG (05/13/88)	NY-FNM	9	78720	21.08	0.72	MAR 5.18	43.00	12.8	41.0	8.3	1.7	104.0	24.6	3385.0	
C	LP-FINE RMS INTRNTNL (04/08/88)	NY-FNI	11	7785	5.76	2.25 S	MAR -0.31	14.13X	11.9	28.4	0.0	15.9	145.2	-5.4	110.0	
B	FIRST CAROLINA (10/10/86)	OC-FCAR	10	748	30.24	0.50 S	MAR 1.52 U	28.50	5.6	14.0	18.8	1.8	-5.8	5.0	21.3	
A	FLEETWOOD ENTER (06/10/88)	NY-FLE	12	23374	14.04	0.64 U	APR 2.08	23.00	8.9	32.4	11.1	2.8	63.8	14.8	537.6	
B	FOREST CITY-A# (06/10/88)	AS-FCE.A	8	4056	24.11	0.38 U	JAN 2.50	33.75	9.3	19.5	13.5	1.1	40.0	10.4	136.9	
B	FOREST CITY-B# (06/10/88)	AS-FCE.B	8	3892	24.11	0.32 D	JAN 2.50	33.88	9.3	19.4	13.6	0.9	40.5	10.4	131.8	
C	LP-FORUM RET FFD UN# (04/08/88)	AS-FRL	8	5932	10.10	1.35	DEC 0.30	10.00	8.1	17.6	33.3	13.5	-1.0	3.0	59.3	
C	FPA CORP (05/23/86)	AS-FPO	7	3995	10.54	0.00	MAR 1.20	7.88	1.6	28.6	6.6	0.0	-25.3	11.4	31.5	
D	GEMCRAFT INC (06/10/88)	OC-GEHF	7	4908	-1.80	0.00	MAR -3.48	1.25	0.0	42.9	0.0	0.0	0.0	0.0	6.1	
C	GENERAL DEVLPT (06/10/88)	NY-GEV	6	8598	18.05	0.00	MAR 4.10	13.63	-6.8	25.3	3.3	0.0	-24.5	22.7	117.1	
C	GENERAL HOMES (04/10/87)	NY-GHO	6	15009	2.62	0.00	MAR -7.44	1.50	-7.7	-25.0	0.0	0.0	-42.7	-284.0	22.5	
A	LP-GOULD INVSTRS LP# (01/09/87)	AS-GLP	8	1199	23.56	0.00	MAR 2.99	49.00	-1.5	32.4	16.4	0.0	108.0	12.7	58.8	
C	GRUBB & ELLIS (06/10/88)	NY-GBE	11	15756	5.36	0.00	MAR -0.04	4.25	-10.5	6.3	0.0	0.0	-20.7	-0.7	67.0	
B	HALLWOOD GROUP (02/13/87)	NY-HWG	10	4656	19.36	1.12 S	APR 2.50 D	16.25	0.8	12.1	6.5	6.9	-16.1	12.9	75.7	
C	HANFORD CO (07/12/85)	OC-THCO	9	2119	5.43	0.10	MAR 0.42	3.50	16.7	0.0	8.3	2.9	-35.5	7.7	7.4	
B	HOVANIAN ENTR (06/10/88)	AS-HOV	7	20938	3.85	0.00	FEB 1.24	9.25	15.6	19.4	7.5	0.0	140.3	32.2	193.7	
D	INDIANA FNCL INV (05/13/88)	OC-IFII	8	971	11.89	0.00	MAR 2.49	5.63	-4.3	18.4	2.3	0.0	-52.7	20.9	5.5	
C	INTEGRATED RESC (04/08/88)	AS-IRE	11	7538	19.09	0.00	MAR 2.74	16.38	0.8	-0.8	6.0	0.0	-14.2	14.4	123.4	
E	LP-INTERSTATE GEN CO (11/22/85)	OC-IRGE	7	8510	3.36	0.00	MAR 0.40	1.88	7.1	-11.8	4.7	0.0	-44.2	11.9	16.0	
B	INTL TECHNOLOGY (09/25/87)	NY-ITX	13	27804	1.24	0.00	DEC -3.64	3.00	9.1	-41.5	0.0	0.0	141.9	-293.5	83.4	
A	J M PETERS CO INC (11/06/87)	AS-JMP	7	13750	4.62	0.00	MAY 2.02 U	9.25	23.3	100.0	4.6	0.0	100.2	43.7	127.2	
C	JOHNSTOWN AMER-A (12/24/87)	AS-JAC	11	11676	1.87	0.00	FEB -1.71	0.50	-11.2	-63.6	0.0	0.0	-73.3	-91.4	5.8	
B	K&B HOME CORP (06/10/88)	NY-KBH	6	27004	7.01	0.30	MAY 1.59 U	11.00	8.6	33.3	6.9	2.7	56.9	22.7	297.0	
B	KAUFMAN & BROAD (06/14/85)	NY-KB	10	23988	11.04	0.32	FEB 1.87	14.88	16.7	2.6	8.0	2.2	34.7	16.9	356.8	
C	KNUTSON MTGE CORP (10/24/86)	OC-KNMC	9	13825	4.94	0.40	MAR 1.39	7.50	3.4	50.0	5.4	5.3	51.8	28.1	103.7	
A	KOGER CO# (03/25/87)	AS-KGR	8	12369	14.73	2.40	DEC 2.54	26.88X	9.9	1.4	10.6	8.9	82.5	17.2	332.4	

June 24, 1988

RANK	NAME (REVIEW DATE)	EXCH/ SYMBOL	GROUP	SHARES (000)	BOOK VALUE	ANNU DIV	-EARNINGS-- MON 12 MO	LAST PRICE	% CHANGE FROM MAY 25	FROM JAN 1	P/E RATIO	% ANNU YIELD	% PR TO BK	RETURN ON BK'S	MKT VAL MIL \$
A	MCA INC (02/26/88)	NY-MCA	10	72923	21.70	0.68	MAR 1.81	42.00	7.7	21.7	23.2	1.6	93.5	8.3	3062.8
A	MOC HOLDINGS (04/10/87)	NY-MOC	6	18559	11.21	0.40	MAR 0.62	4.75	-17.4	-20.8	7.7	8.4	-57.6	5.5	88.2
B	MISSION WEST PR	AS-MSW	7	1501	12.59	0.36	FEB 1.01	8.50	6.3	17.2	8.4	4.2	-32.5	8.0	12.8
C	NATIONAL ENTERPRISES (10/10/86)	NY-NRI	12	7138	2.00	0.00	DEC -0.78	1.50	20.0	9.1	0.0	0.0	-25.0	-39.0	10.7
* LP-NATIONAL REALTY (11/06/87)	AS-NRP	8	45243	0.68	0.32	DEC -0.67	2.50	0.0	-28.6	0.0	12.8	0.0	267.6	-98.5	113.1
C	NE MORTGAGE CO (05/23/86)	AS-NM	9	5543	2.62	0.00	MAR -1.05	2.13	6.3	13.3	0.0	0.0	-18.9	-40.1	12.0
* LP-NEWMALL INV PROP (05/27/88)	NY-NIP	L	4440	2.38	1.00	MAR 6.07	4.00X	5.3	3.2	0.7	25.0	0.0	68.1	255.0	17.8
A	LP-NEWMALL LAND (05/27/88)	NY-NML	10	19758	6.83	1.00	MAR 2.33	42.38	5.6	41.3	18.2	2.4	520.4	34.1	837.2
B	LP-NYMAN L.P. (03/27/87)	AS-NMR	6	24226	3.48	0.32	MAR 0.95	6.88	12.2	83.3	7.2	4.7	97.6	27.3	166.6
A	OAKWOOD HOMES (11/07/86)	NY-OB	12	5733	10.06	0.08	MAR -0.19	6.00	2.1	-18.6	9.0	1.3	-40.4	-1.9	34.4
C	ORIOLE HOMES-A (04/10/87)	AS-ORC.A	7	1936	11.80	0.35	MAR 1.97	9.75	1.3	20.0	4.9	3.6	-17.4	16.7	18.9
C	ORIOLE HOMES-B (04/10/87)	AS-ORC.B	7	1921	11.80	0.40	MAR 1.97	9.75	8.3	30.0	4.9	4.1	-17.4	16.7	18.7
C	PARKWAY COMPANY (10/25/85)	OC-PKWY	10	1648	26.08	0.80	S MAR -1.01	15.50	1.6	5.1	0.0	5.2	-40.6	-3.9	25.5
* PATTON CORP (01/09/87)	NY-PAT	7	16959	4.69	0.12	MAR 0.88 U	5.63X	5.2	21.6	6.4	2.1	19.9	18.8	95.4	
B	PERINI INV PRS (04/22/88)	AS-PNV	8	3930	-0.79	0.60	MAR 0.74	16.25	4.8	5.7	22.0	3.7	0.0	0.0	63.9
B	PHM CORP (08/08/86)	NY-PHM	6	24760	9.14	0.12	MAR 0.15	7.88X	21.6	-6.0	52.5	1.5	-13.8	1.6	195.0
* LP-PRIME FINCL PRTR (08/28/87)	AS-PPF	11	5636	0.63	0.50	DEC 0.11	3.75	3.4	-28.6	34.1	13.3	495.2	17.5	21.1	
* LP-PRIME MTR INNS LP (02/27/87)	NY-PPM	8	4000	18.25	2.00	S MAR 0.18	17.00	-0.7	6.3	94.4	11.8	0.0	-6.8	1.0	68.0
* PRINCEVILLE DEV (01/25/85)	OC-PVDC	7	9593	4.18	0.00	FEB -0.11	10.63	1.2	28.8	0.0	0.0	0.0	154.2	-2.6	101.9
D	PUNTA GORDA (03/27/87)	AS-PGA	7	2905	-1.38	0.00	DEC -0.97	1.50	-7.7	9.1	0.0	0.0	0.0	0.0	4.4
E	VJ-RADICE CORP (07/24/87)	NY-RI	7	5811	1.63	0.00	SEP -3.87	0.56	28.8	-40.0	0.0	0.0	-65.5	-237.4	3.3
C	READING CO (03/25/88)	OC-RDOC	8	4957	6.53	0.00	MAR -2.66	10.50	-6.7	-10.6	0.0	0.0	60.8	-40.7	52.0
C	REALAMERICA CO (10/25/85)	OC-RACO	8	3180	3.39	0.00	NOV 0.10	4.50	0.0	20.0	45.0	0.0	32.7	2.9	14.2
* LP-RED LIONS INNS (05/22/87)	AS-RED	8	4604	17.92	2.05	U DEC 1.81	15.88	8.5	22.1	2.0	12.9	0.0	-11.4	10.1	73.1
B	REDMAN INDUSTRIES (10/10/86)	NY-RE	12	9590	7.16	0.36	MAR -0.75 D	7.38	1.7	25.5	0.0	4.9	3.0	-10.5	70.7
* LP-RETIREMENT LIV MTG (07/25/86)	OC-RLVZ	9	1264	22.73	2.16	MAR 2.11	16.50	0.0	6.5	7.8	13.1	0.0	-27.4	9.3	20.9
* RIDGEWOOD PROPS (02/28/86)	OC-RWPI	8	751	45.89	0.00	NOV 6.16	35.25	3.7	13.7	5.7	0.0	0.0	-23.2	13.4	26.5
C	ROCKWOOD MATL (08/23/85)	PS-RMC	7	9747	2.86	0.00	DEC 0.06	2.13	-5.6	0.0	35.4	0.0	-25.7	2.1	20.7
A	ROUSE CO (06/10/88)	OC-ROUS	8	47705	5.36	0.52	S MAR 0.68	22.25X	6.6	14.1	32.7	2.3	315.1	12.7	1061.4
A	RYLAND GROUP (03/27/87)	NY-RYL	6	12714	10.50	0.50	S MAR 2.42	17.25	20.0	23.2	7.1	2.9	64.3	23.0	219.3
* SANTA FE SO PAC (07/10/87)	NY-SFP	10	156852	33.39	0.10	MAR 4.26	20.13	28.8	-4.2	4.7	0.5	0.0	-39.7	12.8	3156.6
C	SAUL (BFI) REIT (05/09/86)	NY-SFS	8	5483	7.80	0.20	S SEP -2.75	25.00	55.0	47.1	0.0	0.8	220.5	-35.3	137.1
* SCHULTZ HOMES CORP (11/20/87)	OC-SHCO	12	3301	0.80	0.00	MAR -0.68	1.13	-30.8	-25.0	0.0	0.0	0.0	40.6	-85.0	3.7
C	SECURITY CAPITAL (02/13/87)	AS-SCC	9	5523	1.96	0.00	MAR -6.92	2.75	69.2	22.2	0.0	0.0	40.3	-353.1	15.2
* LP-SHOPCO LAUREL CTR (05/22/87)	AS-SLSC	8	4660	9.10	1.08	U SEP 0.78	9.50	-2.6	28.8	12.2	11.4	0.0	4.4	8.6	44.3
B	SKYLINE CORP (10/10/86)	NY-SKY	12	11217	12.57	0.48	S MAY 1.17 U	14.88X	3.4	14.4	12.7	3.2	18.3	9.3	166.9
D	SOUTHLAND FINCL (05/27/88)	OC-SFLM	8	16772	4.17	0.00	MAR -6.22	1.63	85.7	4.0	0.0	0.0	-61.0	-149.2	27.3
C	SOUTHPARK CORP (04/22/88)	NY-SM	10	45196	9.83	0.00	MAR -0.03	3.50	12.0	-24.3	0.0	0.0	-64.4	-0.3	158.2
D	LP-SOUTHWEST RLTY (02/28/86)	AS-SWL	8	3442	6.16	0.00	MAR -0.01	1.38	-8.3	-8.3	0.0	0.0	-77.7	-0.2	4.7
C	STARRETT HOUSING (03/27/87)	AS-SHO	7	5918	3.21	0.00	MAR -0.98	7.50	7.1	3.4	0.0	0.0	133.5	-30.5	44.4
B	LP-STD PACIFIC L.P. (08/08/86)	NY-SPF	6	26941	6.26	1.20	MAR 1.69	10.50	15.1	31.3	6.2	11.4	67.7	27.0	282.9
C	TIERCO GP INC (07/25/86)	OC-TIER	8	2126	7.31	0.00	MAR -1.50	7.25	31.8	31.8	0.0	0.0	-0.8	-20.5	15.4
C	TOLL BROS (07/25/86)	NY-TOL	6	30036	1.97	0.00	APR 0.69 U	5.75	9.5	9.5	8.3	0.0	191.9	35.0	172.7
B	LP-UDC-UNIVERSL DEV (08/08/86)	NY-UDC	7	9325	7.42	2.40	MAR 3.22	18.75X	-0.1	36.4	5.8	12.8	152.7	43.4	174.8
B	UNICORP AMER (07/10/87)	AS-UAC	10	16845	10.18	0.60	MAR -0.16	6.75X	0.4	31.7	0.0	8.9	-33.7	-1.6	113.7
C	UNION VALLEY CORP (09/26/86)	AS-UVC	7	3967	4.15	0.00	MAR 1.13	7.00	21.7	24.4	6.2	0.0	68.7	27.2	27.8
C	US HOME CORP (04/10/87)	NY-UH	6	39901	4.40	0.00	MAR -1.20	2.88	27.3	-4.2	0.0	0.0	-34.7	-27.3	114.7
* LP-US REALTY PTNRS (09/26/86)	OC-USRLZ	8	1222	18.40	2.26	DEC 2.19	12.00	0.0	-4.0	5.5	18.8	0.0	-34.8	11.9	14.7
* US SHELTER CORP (09/26/86)	OC-USSS	11	9468	1.48	0.00	MAR -0.87	1.13	-10.0	-18.0	0.0	0.0	0.0	-24.0	-58.8	10.7
* LP-US MORTGAGE INV (01/24/86)	OC-UMLPZ	9	7629	9.00	1.08	S MAR 1.22	8.00	0.0	-3.0	6.6	13.5	0.0	-11.1	13.6	61.0
C	VQUEST INC (07/25/86)	AS-VY	12	3522	4.79	0.00	FEB -3.06	1.75	0.0	-6.7	0.0	0.0	-63.5	-63.9	6.2
C	WASHINGTON CORP (07/25/86)	PH-WYC.X	7	1869	4.71	0.13	MAR 0.66 U	5.50	7.3	22.2	8.3	2.4	16.8	14.0	10.3
* WASHINGTON HOME (11/22/85)	NY-WHI	7	4742	8.23	0.16	S APR 1.31 D	13.38X	7.3	21.6	7.4	1.2	62.5	22.0	63.4	
C	WEBB (DEL E) CORP (06/14/85)	NY-WBB	10	9169	8.63	0.00	MAR -11.19	13.13	22.1	78.0	0.0	0.0	52.1	-129.7	120.3
* LP-WINTHROP INS MTG (04/10/87)	AS-WMI	9	3868	14.03	1.28	S MAR 1.58	13.38	5.9	4.9	8.5	9.6	0.0	-4.7	11.3	51.7
B	WRITER CORP (04/10/87)	OC-WRTC	7	4118	5.24	0.00	DEC -3.23	0.88	0.0	-44.0	0.0	0.0	-83.3	-61.6	3.6

COMPARATIVE REALTY STOCK GROUP AVERAGE 06/22/88

GROUP	NUMBER & NAME	DIV	NON-DIV	TOTAL	SHARE (000)	BOOK VALUE	ANNUAL DIV	EARN ANN	LAST PRICE	% CHANGE FROM MAY 25	FROM JAN 1	P/E RATIO	ANNUAL YIELD	% PR TO BK	RETURN ON BK	MARKET VAL (000)
1	PROPERTY REITS	42	4	46	7345	10.20	0.94	1.04	13.34	1.0	10.3	12.8	7.1	30.8	10.2	4920.5
2	LEASEBACK REITS	13	0	13	6652	14.23	1.61	1.62	13.52	2.5	4.0	8.3	11.9	-5.0	11.4	1358.9
3	PROP & MTG COMB REITS	19	2	21	5767	13.02	1.25	1.26	13.41	3.0	12.1	10.6	9.4	3.0	9.7	1694.0
4	MORTGAGE REITS	17	1	18	6956	13.61	1.45	1.58	11.90	2.7	6.7	7.5	12.2	-12.5	11.6	1522.3
5	PARTICIPATING MTG REITS	12	0	12	8566	11.38	1.18	1.04	9.74	0.5	4.5	9.3	12.1	-14.4	9.2	1232.5
REIT AVERAGE				110	7031	11.90	1.19	1.24	12.75	1.8	9.6	10.3	9.3	7.1	10.0	10728.2
6	MAJOR HOMEBUILDERS	8	4	12	20778	9.97	0.28	0.90	10.75	10.3	24.8	12.0	2.6	7.8	9.0	2211.0
7	OTHER BLDG/DEVELOPERS	8	24	32	7104	5.46	0.16	0.40	6.39	4.4	18.3	16.0	2.5	17.1	7.3	1438.9
8	INCOME PROP BLDG/OWNR	21	11	32	8878	12.15	0.85	0.68	15.30	7.8	16.7	22.5	5.5	25.9	5.6	3717.3
9	MORTGAGE BANKER/FINANCE	13	4	17	13712	9.67	0.87	0.44	11.27	7.4	13.0	25.8	7.7	16.5	4.5	4895.4
10	DIVERSIFIED RLTY/HOLDING	12	6	18	33112	14.58	0.41	0.36	18.13	9.6	23.5	50.8	2.2	24.4	2.4	14801.1
11	RLTY SVCS/SYNDICATORS	2	6	8	8273	5.70	0.34	-0.11	6.16	-0.5	-3.2	0.0	5.6	8.0	-2.0	374.5
12	MANUFACTURED HOUSING	4	5	9	9333	6.99	0.17	-0.21	7.82	4.2	16.1	0.0	2.2	11.8	-3.0	996.4
13	ASBESTOS ABATEMENT CO	0	4	4	24414	2.27	0.00	-1.07	2.75	0.0	-36.2	0.0	0.0	21.4	-47.2	208.1
L	LIQUIDATING COMPANIES	1	3	4	8313	8.59	0.25	1.08	4.63	-3.7	4.2	NC	NC	-46.1	NC	166.9
OVERALL AVERAGE				246	10790	10.48	0.80	0.78	11.88	4.6	13.4	15.3	6.7	13.3	7.6	39537.8
DOW JONES INDUSTRIALS								144.45	2152.20	-9.7	11.0	14.9	3.5			
STANDARD & POOR'S 500								18.61	275.66	8.6	11.6	14.8	3.5			
DOW JONES UTILITIES								18.91	183.68	8.4	4.9	9.7	8.5			

SYMBOLS & ABBREVIATIONS

RANKINGS: "A" (highest) to "E" lowest. "N" = Not Ranked.
 New EPS or Dividend: UpUP, D=Down, S=Unchanged, I=Initial.
 # = Net Cash Flow (EPS plus noncash charges less mortgage payments). @=Gross Cash Flow. Book value for cash flow entities

includes accum. depreciation. Last bid prices used for OTC.
 P=Paired stock. \$=Current appraised value reported; see p. 5.
 F=Finite life REIT. LP=Limited partnership. L=Liquidating.
 VJ=In bankruptcy reorganization.
 NAME CHANGE: Covington Technologies to Covington Development.